

Proposition 172

September 28, 2004





Proposition 172 / OCPFA Background

- In 1993, the Governor and State Legislature placed Proposition 172 on the ballot
- The revenue from the measure was intended to partially offset the \$2.3 billion in property tax diversion from the State
- The revenue from this one-half cent sales tax can only be used for local public safety purposes



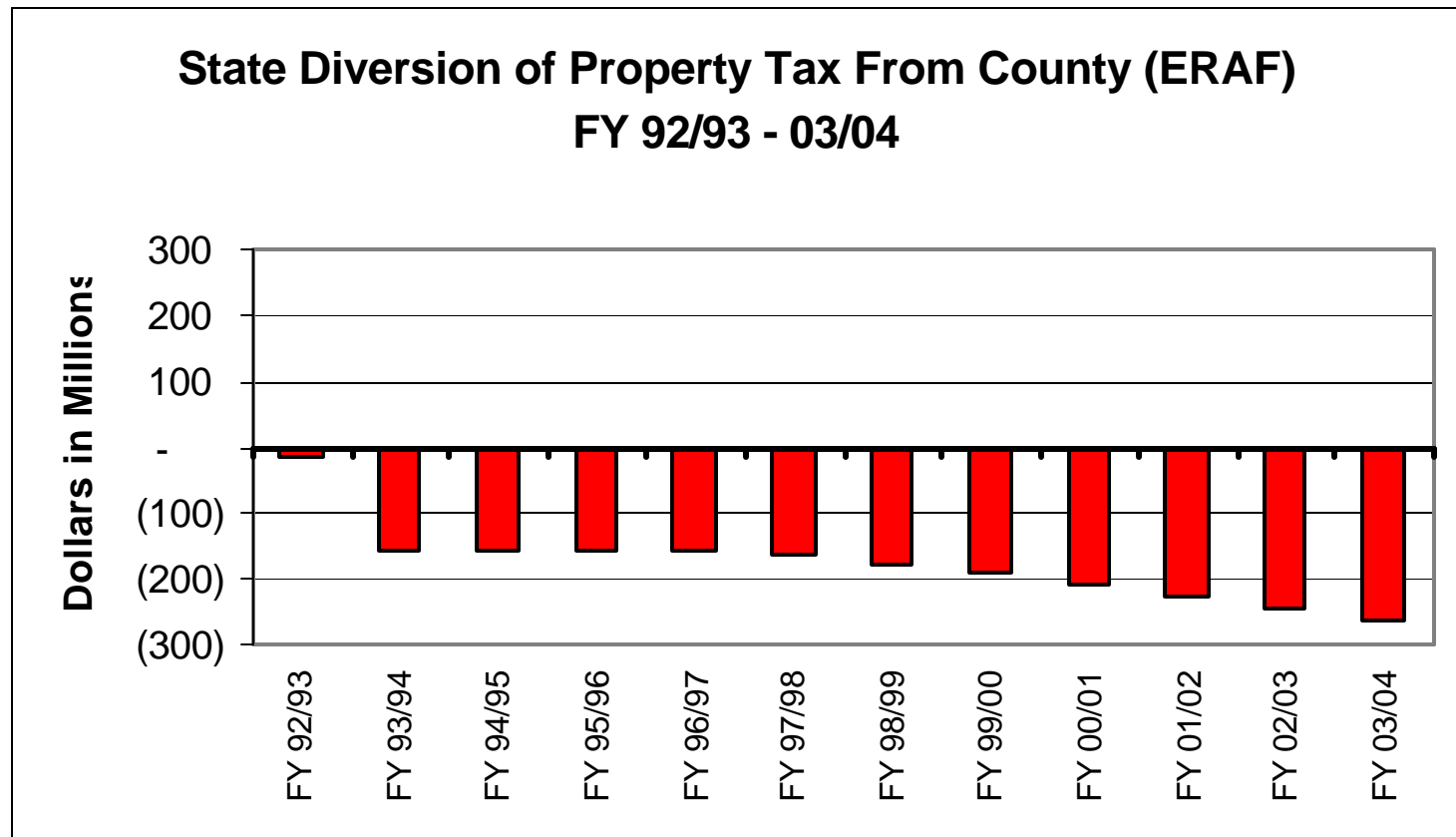
Proposition 172 / OCPFA

Intent of Proposition 172

- Proposition 172 revenues are provided to the County and cities who were negatively impacted from the State's property tax diversion
- This revenue has not filled the hole in the local government budget that the property tax diversion created

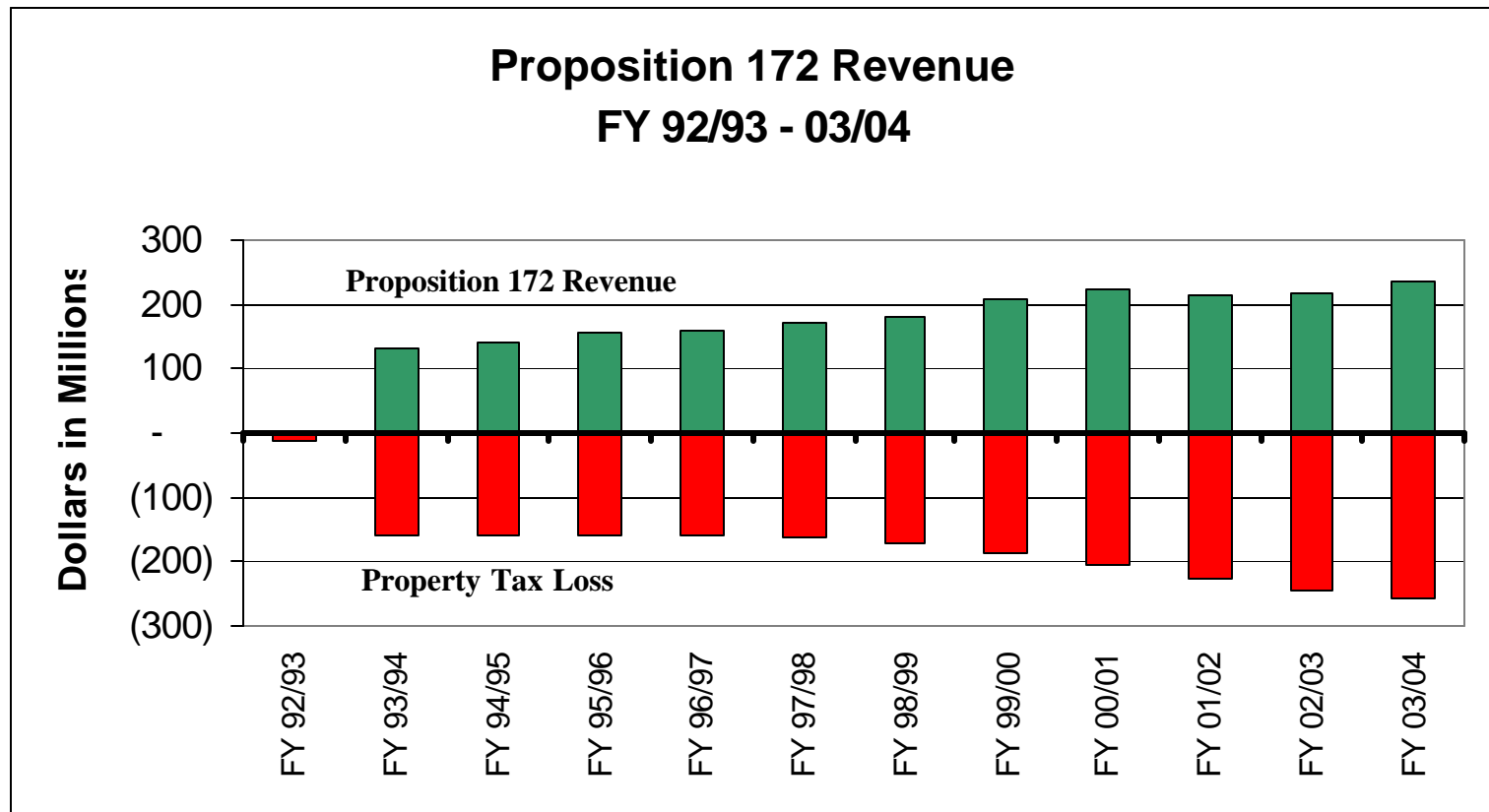
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ERAf and Sales Tax History



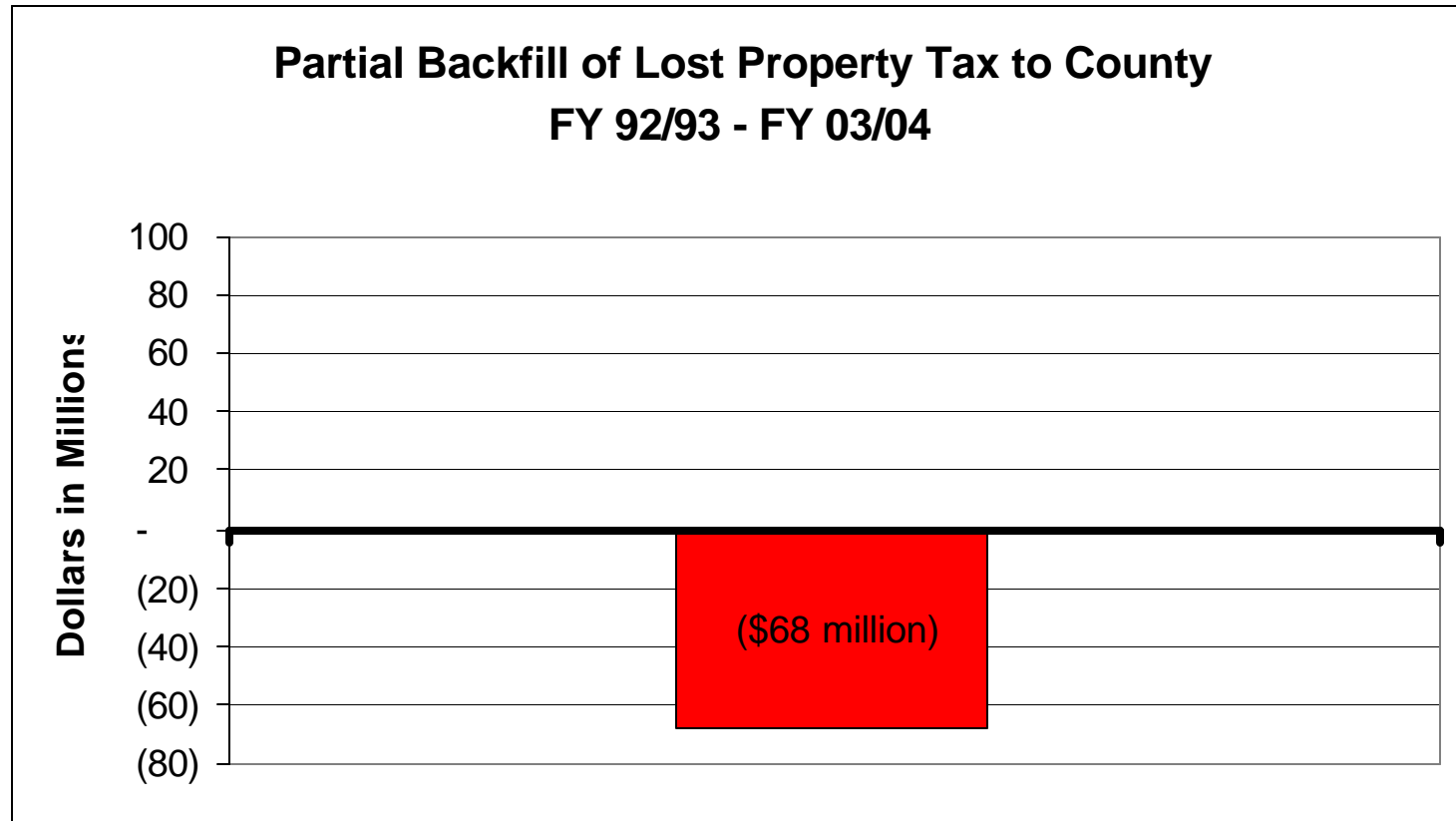
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ERAf and Sales Tax History



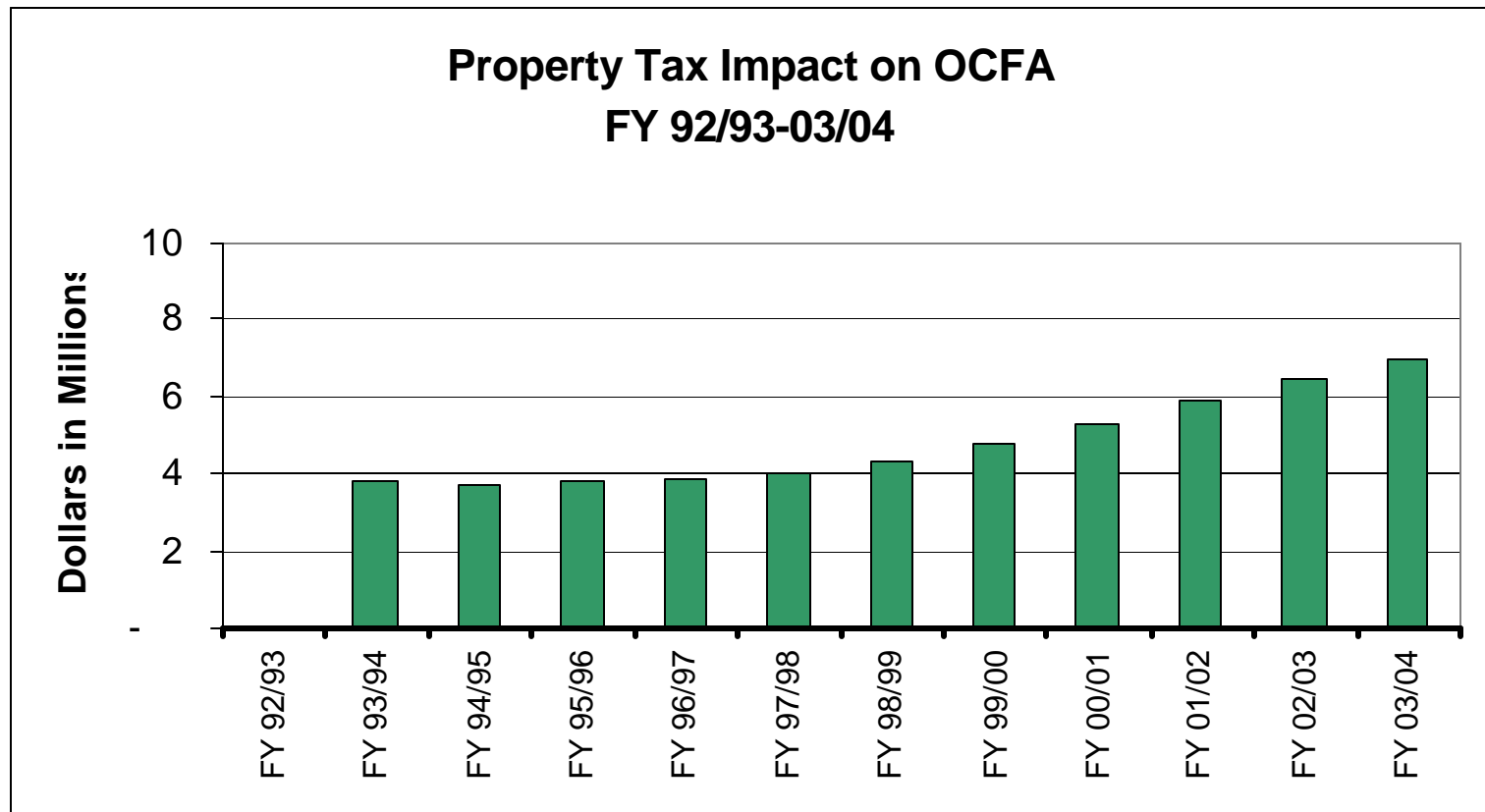
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ERAf and Sales Tax History



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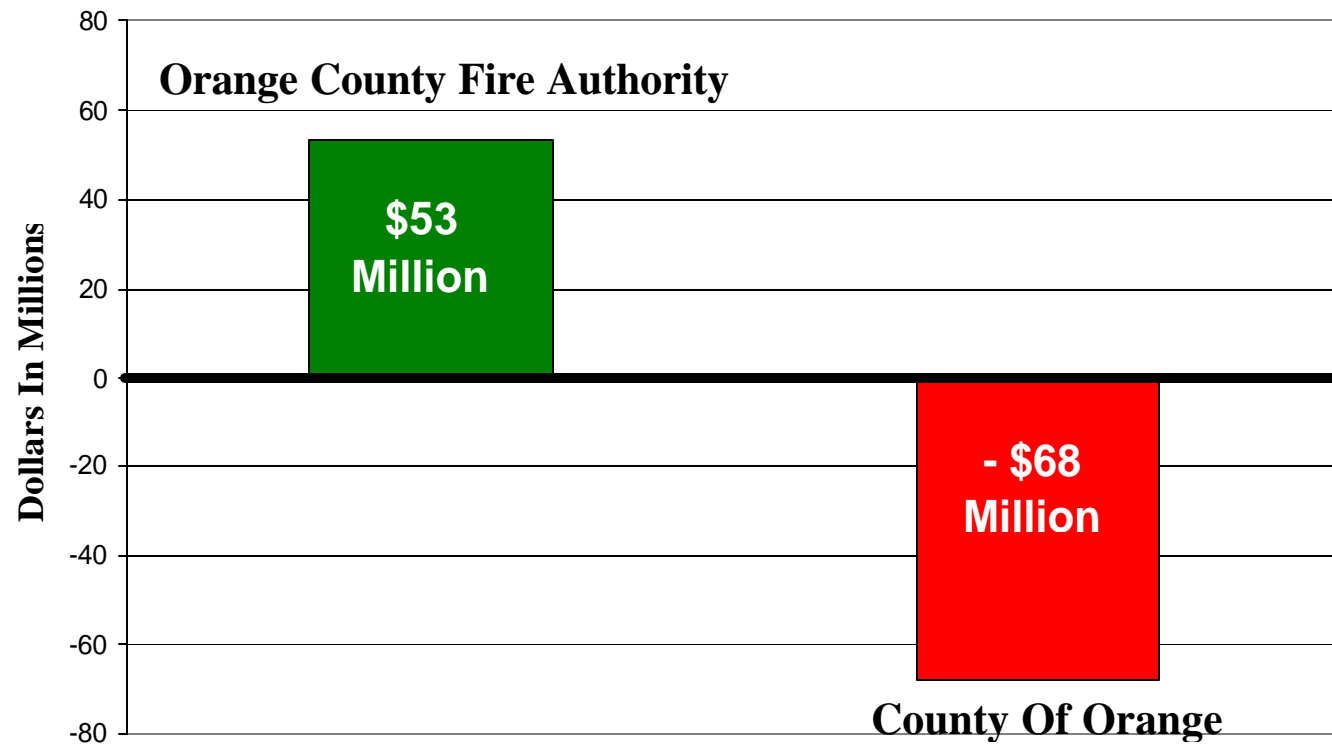
OCFA's Property Tax History




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Cumulative History

Net Property Tax Impact FY 92/93 - 03/04





Proposed Ballot Initiative

Impact of Initiative

- Proposition 172 is a Countywide tax used to provide countywide public safety services
- Funding is primarily used for Jails and Prosecution Services that serve all cities
- If the Initiative is successful a portion of the countywide tax would be reallocated to OCFA who serve only 43% of the County

ORANGE COUNTY FIRE SERVICE PROVIDERS

COUNTY OF ORANGE, CALIFORNIA



Proposed Ballot Initiative

Impact of Initiative

- Impact of reallocating Proposition 172
 - Fire protection services
 - ↑ Fire Authority cities and county
unincorporated areas (43% of County)
 - ← Non-Fire Authority cities (57% of County)
 - Sheriff and District Attorney services (100% of
County)
 - ↓ Fire Authority cities and county
unincorporated areas
 - ↓ Non-Fire Authority cities



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Next Step

- Next statewide election ballot is June 2006
- If approved by voters, the Initiative would be effective 10 days after certification of the election
- Introduction of Keith Curry of Public Financial Management